What DoD Leadership Needs to Know About TRICARE

Dr. Sue Bailey

Assistant Secretary of Defense

(Health Affairs)

- **TRICARE is now operational world-wide**

- **It's <u>our</u> program …**
  …Line and medics

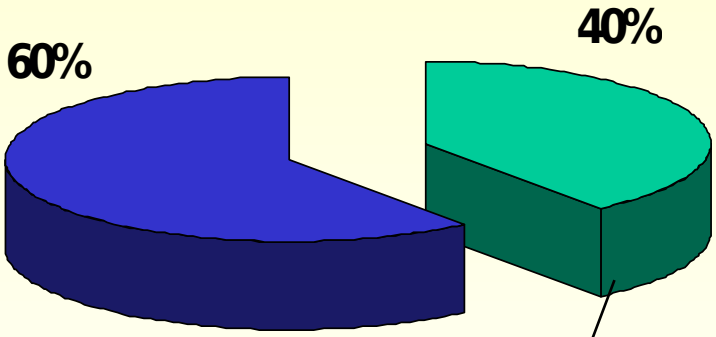
What is TRICARE?

A healthcare delivery system serving DoD's 8.3 million beneficiaries

- ≈ 70 % Direct Care (Military Facilities)
- ≈ 30 % Contracted Care (Civilian Network Providers)

Vast, Comprehensive Network

40% of U.S. Hospitals Participate in the TRICARE Network

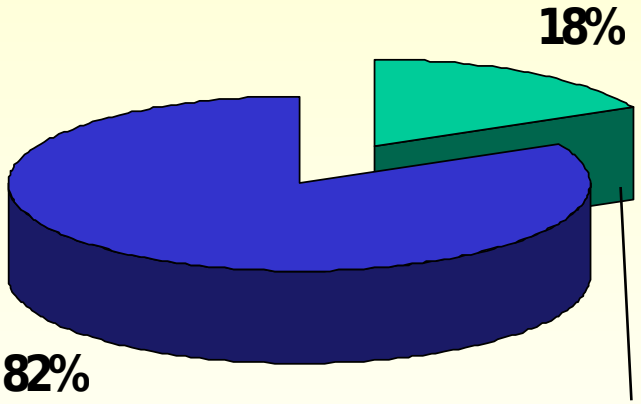


5,000
U.S. Hospitals

1,975 in
TRICARE Network

U.S. Hospital Source: American Hospital Association

Nearly 1 in 5 Physicians (U.S.) Participate in the TRICARE Network



650,000
U.S. Physicians

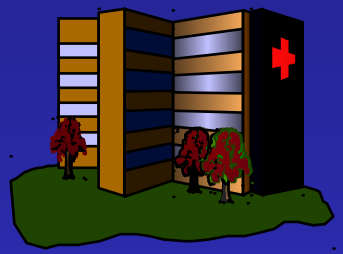
114,000 TRICARE
Network Providers

U.S. Physician Source: American Medical Association

TRICARE = READINESS

TRICARE -- Readiness' Foundation In Peace and War

Sustain Skills in Training and Patient Care Duties to **Promote & Protect Health of the Force** and **Deploy to Support the CINCs**



Manage Beneficiary Care

Deploy Healthy

Manage Beneficiary Care

Deploy Medical Force

Deploy Healthy Force

Manage Beneficiary Care

Military Health System Imperatives

- Peacetime Health Care
- Force Health Protection
- Readiness

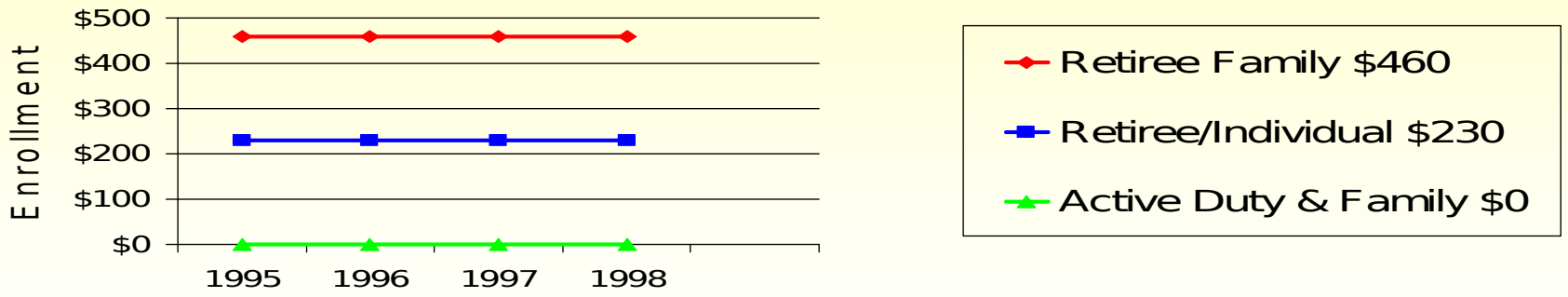
TRICARE:
Improving Military Medicine

- Occupational Therapy
- Chiropractic Care
- Pharmacy
- Vision Benefits
- Mammography
- Mental Health
- Dental

Health Care Cost Trends: TRICARE vs. Private Sector

"Analysts expect rates to rise 7% to 11% (in the year 2000) for large companies, about the same as this year." *(USA Today 13 June 1999)*

TRICARE Prime has maintained stable enrollment fees since its inception.



E-5 Family of Four

TRICARE Prime

- No enrollment fees/ Annual premium
- No co-pay in MTF
  $12 co-pay in Network

Civilian HMO

- Average Premium:
  $ 390 / month
  $ 4,680 / year
- Co-pays

Source: American Association of Health Plans/Health Care Advisory B
1996 Data

Quality Medicine and Quality Force Retention

"He (Aviation Electronics Technician 1st Class Tom Robinson) lists 'benefits for my family' as one of the most important reasons for dusting off his Navy uniform, rating medical care at the top.

He figures he saves up to $400 a month in insurance costs."

" 'I decided to give civilian life a try' after four years in the Corps, he (Robert Sorge) said. But he soon learned that working at Kmart didn't pay as much as he earned as an E-3 and offered zero health care benefits."

Navy Times, 19 April 1999, p. 14-

Military Retiree (< 65) Family of Four

TRICARE Prime	Civilian Counterpart HMO Premium
Enrollment Fee: $460/year	Average Enrollment Fee: $4,680/year

Source: American Association of Health Plans/Health Care Advisory B
1996 Data

TRICARE Is Listening To Your Concerns

CONCERN	ACTION
• No Retiree Dental	• Program in Place
• Portability	• Policy signed; addressing field issues
• Over 65 lockout	• Medicare/FEHBP Demos 98/99
• Claims Processing/ Billing Problems	• Simplifying
• Family Member Dental Program Overseas	• Extended

TRICARE is Listening To Your Concerns

CONCERN	ACTION
• No Nurse Advice Lines	• In Place World-Wide
• Multiple co-pays per visit	• Eliminated for Prime
• Bill Balances sent to SMs	• Eliminated for Prime/Extra
• No Mail Order Pharmacy	• In Place World-Wide
• Annual Re-enrollment Hassle	• Automatic Re-enrollment began in June 1999
• Overseas Claims Issues	• Co-pays/Deductibles Eliminated
• Phone/Appointments Problems	• Enforcing Contract Standards

Improving Access to Health Care

- Access standards
  - **1 DAY: Urgent Care**
  - **1 WEEK: Routine Care**
  - **1 MONTH: Specialty Care**

  - **Waiting room time during provider's office visit:** 30 minutes or less
  - **Travel time to provider's office:** 30 minutes or less

TRICARE Prime Remote

Effective October 1999

- Provides common benefit for ALL military personnel living in remote areas of the US
  - Makes accessing civilian health care easier
  - Provides 24-hour, 7-day a week hotline for Active Duty members
  - Simplifies claims processing
- Now seeking legislative relief/solution for family members

Patient Bill of Rights

- TRICARE already in full compliance
  - Physicians in Charge
  - Specialists (especially OB) as Primary Care Managers
  - No Gag Clauses
  - Total Accountability
  - Right to External Appeal

Message for Commanders:

- TRICARE is essential to our wartime readiness mission
- TRICARE is critical to recruitment & retention
- TRICARE is better than the old military medical care system
- TRICARE is better than civilian health plans -- and less complex!

I need you to be a TRICARE Zealot!

The World's Best Health Care for the World's Best Military

The slide presentation from today's briefing and other information on the Military Health System are available on the TRICARE website

www.tricare.osd.mil